PUBLIC TRUSTEE FOR SASKATCHEWAN

FINANCIAL STATEMENTS

For the Year Ended March 31, 1988

OFFICE OF THE PROVINCIAL AUDITOR

REGINA, SASKATCHEWAN

89-03437/

AUDITOR'S REPORT

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the balance sheet of the Public Trustee for Saskatchewan as at March 31, 1988 and the statements of common trust revenue, distributed and undistributed earnings and changes in trust funds for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Public Trustee for Saskatchewan as at March 31, 1988 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

W. G. Lutz, F.C.A.
Provincial Auditor.

Regina, Saskatchewan,
October 21, 1988.

Statement 1

PUBLIC TRUSTEE FOR SASKATCHEWAN

BALANCE SHEET

As at March 31

	1988	1987
ASSETS		
Cash	$ 43,732	$ (22,429)
Accrued interest receivable	1,435,613	1,274,673
Securities and other assets (Notes 1 & 2)	70,324,770	63,745,216
	$71,804,115	$64,997,460
LIABILITIES		
Accounts payable - estates	$ 151,775	$ 146,206
- administration fees (Note 3)	1,291,385	1,218,157
Total accounts payable	1,443,160	1,364,363
Funds held in trust for estates		
Distributed funds	67,917,074	61,581,653
Undistributed earnings (Statement 2)	1,435,613	1,274,673
Undistributed net unamortized discounts and premiums (Notes 1 & 2)	1,008,268	776,771
Total funds held in trust for estates (Statement 3)	70,360,955	63,633,097
	$71,804,115	$64,997,460

(See accompanying notes to the financial statements)

Statement 2

PUBLIC TRUSTEE FOR SASKATCHEWAN

STATEMENT OF COMMON TRUST REVENUE, DISTRIBUTED AND UNDISTRIBUTED EARNINGS

For the Year Ended March 31

	1988	1987
Common Trust Revenue:		
Interest income	$5,844,301	$5,386,037
Bank interest	29,819	30,201
Amortization of discounts net of premiums	82,593	107,052
Gains net of losses realized	62,343	924,321
Total available for distribution (Statement 3)	6,019,056	6,447,611
Earnings distributed during year	(5,858,116)	(6,602,330)
Undistributed earnings for the year	160,940	(154,719)
Undistributed earnings - beginning of year	1,274,673	1,429,392
Undistributed earnings - end of year (Statement 1)	$1,435,613	$1,274,673

(See accompanying notes to the financial statements)

Statement 3

PUBLIC TRUSTEE FOR SASKATCHEWAN

STATEMENT OF CHANGES IN TRUST FUNDS

For the Year Ended March 31

	1988	1987
Trust funds acquired:		
Estate capital - cash	$ 4,780,253	$ 6,279,335
- other	1,098,283	(508,097)
Revenue earned on behalf of trusts		
- common (Statement 2)	6,019,056	6,447,611
- individual	203,000	226,747
Wages and pension benefits	9,071,945	8,758,979
Property rentals	444,940	399,899
Miscellaneous	1,884,131	1,273,072
Total trust funds acquired	23,501,608	22,877,546
Trust funds expended:		
Payment on released estates	5,034,657	7,835,938
Maintenance and other payments on behalf of estates	10,354,475	9,382,358
Administration fees (Note 3)	1,384,618	1,327,317
Total trust funds expended	16,773,750	18,545,613
Increase in trust funds	6,727,858	4,331,933
Balance, beginning of year	63,633,097	59,301,164
Balance, end of year (Statement 1)	$70,360,955	$63,633,097

(See accompanying notes to the financial statements)

PUBLIC TRUSTEE FOR SASKATCHEWAN

NOTES TO THE FINANCIAL STATEMENTS

March 31, 1988

1. Accounting Policies

a) Common Trust Securities

Common trust securities are purchased by the Public Trustee with the cash assets of the estates and are recorded at par value except for short term investments which are recorded at cost. Unamortized discounts and premiums are included in Funds Held in Trust for Estates and are amortized over the life of the investments. Gains or losses on the sale of investments are recognized in the year of sale. Interest received is distributed semi-annually on September 30 and March 31, to the individual trust accounts.

b) Individual Trust Securities and Other Assets

Individual trust securities consist of investments held by individuals at the date their estates came under the control of the Public Trustee and investments subsequently made in the name of individuals by the Public Trustee. These investments are valued as follows:

(i) bonds and debentures - at par value at the date the Public Trustee assumes control of the assets or if in the opinion of the Public Trustee it is in the best interest of the estate to reinvest these securities at maturity, at cost at the time of renewal.

(ii) shares - at market value at the date the Public Trustee assumes control, with subsequent increases or decreases in value being recognized and reflected in the trust accounts annually.

(iii) real estate - at appraised value at the date the Public Trustee assumes control or at cost, if in the opinion of the Public Trustee it is in the best interest of the estate to purchase real estate, with periodic adjustments if significant changes occur. Real estate holdings of infants are recorded at a nominal amount.

(iv) miscellaneous assets - at amounts determined from information available to the Public Trustee at the date the Public Trustee assumes control with subsequent adjustments made as additional information is received. If no valuation information is available, these assets are recorded at nominal amounts.

(v) Any interest or dividends received on these investments or any changes in original valuation of these investments are distributed to the individual trust accounts.

c) Other transactions

All other transactions are recorded in the accounts as funds are received or disbursed.

2. Securities and Other Assets Held in Trust as at March 31

	1988	1987
Common Trust Securities:		
Bonds & Debentures at par value (Market value 1988 - $53,917,861; 1987 - $49,504,291)	$53,765,728	$46,622,444
Short term investments at cost	7,980,723	9,260,455
	61,746,451	55,882,899
Individual Trust Securities:		
Bonds and Debentures at par value (Market value *)	1,375,879	1,444,812
Shares at market value	962,168	934,187
	2,338,047	2,378,999
Total securities (Schedule 1)	64,084,498	58,261,898
Individual Trusts - Other Assets:		
Real estate	5,889,137	5,149,854
Miscellaneous	351,135	333,464
Total Securities and Other Assets	$70,324,770	$63,745,216
Net unrealized premiums and discounts related to Common Trust Securities	$ 1,008,268	$ 776,771

* Since the majority of Individual Trust Bonds and Debentures are not publicly traded, their market value has not been determined.

3. Administration Fees

In accordance with The Public Trustee Regulations, administration fees are assessed and subsequently paid to the Consolidated Fund when collected from the estates.

4. Related Party Transactions

In accordance with section 53 of The Public Trustee Act, all general administrative and employee costs required for the administration of the Office of the Public Trustee are paid out of the Consolidated Fund of the Province of Saskatchewan (1988 - $686,820; 1987 - $757,171). Accordingly, no provision for these costs is included in these financial statements.

5. Authority

The Public Trustee for Saskatchewan was established under The Public Trustee Act. The Public Trustee succeeds the Official Guardian appointed pursuant to The Infants Act and the Administrator of Estates appointed pursuant to The Administration of Estates of Mentally Disordered Persons Act.

Schedule 1

PUBLIC TRUSTEE FOR SASKATCHEWAN

SCHEDULE OF SECURITIES HELD

As at March 31

	Common Trust	Individual Trust	1988 Total	1987 Total
Government of Canada	$ 6,350,000	$ 568,396	$ 7,418,396	$ 6,916,302
Provincial:				
Alberta	500,000		500,000	500,000
British Columbia	650,000		650,000	1,070,000
New Brunswick	675,000		675,000	675,000
Newfoundland	950,000		950,000	1,125,000
Nova Scotia	900,000		900,000	900,000
Ontario	3,350,000		3,350,000	3,810,000
Prince Edward Island	390,000		390,000	455,000
Saskatchewan	6,565,000		6,565,000	6,180,000
Municipalities:				
Alberta	1,225,000		1,225,000	1,225,000
British Columbia	200,000		200,000	200,000
Saskatchewan	253,000		253,000	304,000
Sundry Bonds	30,957,728	807,483	31,765,211	24,406,954
Share Certificates	300,000	962,168	1,262,168	1,234,187
	53,765,728	2,338,047	56,103,775	49,001,443
Short term investments	7,980,723	--	7,980,723	9,260,455
	$61,746,451	$2,338,047	$64,084,498	$ 58,261,898

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